

Message

From: Paula Schmittiel [Schmittiel.PaulaLNDU@usepa.onmicrosoft.com]
Sent: 1/24/2012 6:14:00 PM
To: Wharton, Steve [Wharton.Steve@epa.gov]
CC: Garcia, Sam [Garcia.Sam@epa.gov]; Richard Sisk [Sisk.Richard@epa.gov]; John Works [Works.JohnLNDU@usepa.onmicrosoft.com]
Subject: VB / I-70 Special Account

Steve - I met with Sam, Richard and John yesterday regarding the special account funds for VB/I-70 and here is my understanding on the special account funds.

From the bankruptcy settlement with ASARCO, EPA received \$1,765,024 dollars. In our AOC with the City/County of Denver we agreed to allocate \$1,377,695 dollars plus any interest to OU-02 at VB/I-70. According to the AOC, the \$1.3 million is to be allocated with the following priority schedule:

- a. **1st priority** - Repay EPA's past response costs @ OU-02 *(EPA's past costs have not been fully determined especially for work performed prior to December 2007.)*
- b. **2nd priority** - reimburse EPA for its oversight costs relating to Denver's performance of the RI/FS. *(There is at least \$340,366 of EPA costs between December 2007 & August 2011 that are either outstanding or have been paid back for oversight work done at OU-02.)*
- c. **3rd priority** - pay Denver's costs in conducting the RI/FS at OU-02. *(We allocated \$330,000 for Denver's work and they have submitted bills for payment amounting to ~\$108,000 which EPA has paid Denver for the RI/FS work they have performed.)*
- d. **4th priority** - reimburse EPA for its oversight costs relating to any RD/RA work at OU-02. *(Because the RI/FS isn't complete, it is unknown what EPA's oversight costs could potentially be for RD/RA).*
- e. **5th priority** - if any special account funds remain, Denver may apply for funds to pay for RD/RA and O/M work at the site.

The remaining unallocated funds from the \$1.7 million - i.e., \$387,329 is being used to fund additional EPA work at OUs 02 & 03. AT OU-03, we have a work assignment for \$300,000 for a Phase II RI/FS. Approximately \$25,000 has been allocated for additional GW sampling @ OU-02 that EPA is performing. There is maybe ~\$75,000 of special account funds remaining that could be applied to work at OU-03.

The conclusion of all of this is that there isn't any special account funds available for work at OU-01 and therefore we need to request RA funding from HQ for any additional residential cleanup.

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